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**AMENDMENT TO H.R. 3121, AS REPORTED  
OFFERED BY MR. PATRICK J. MURPHY OF  
PENNSYLVANIA AND MR. ARCURI OF NEW YORK**

At the end of the bill, add the following new section:

1 **SEC. 30. NATIONAL FLOOD INSURANCE ADVOCATE; RE-**  
2 **PORTS.**

3 Chapter II of the National Flood Insurance Act of  
4 1968 is amended by inserting after section 1330 (42  
5 U.S.C. 4041) the following new section:

6 **“SEC. 1330A. NATIONAL FLOOD INSURANCE ADVOCATE.**

7 **“(a) ESTABLISHMENT OF POSITION.—**

8 **“(1) IN GENERAL.—**There shall be in the Fed-  
9 eral Emergency Management Agency a National  
10 Flood Insurance Advocate. The National Flood In-  
11 surance Advocate shall report directly to the Direc-  
12 tor and shall, to the extent amounts are provided  
13 pursuant to subsection (c), be compensated at the  
14 same rate as the highest rate of basic pay estab-  
15 lished for the Senior Executive Service under section  
16 5382 of title 5, United States Code, or, if the Sec-  
17 retary of Homeland Security so determines, at a  
18 rate fixed under section 9503 of such title.

1           “(2) APPOINTMENT.—The National Flood In-  
2           surance Advocate shall be appointed by the Sec-  
3           retary of Homeland Security after consultation with  
4           the Director and the flood insurance advisory com-  
5           mittee established pursuant to section 1318 (42  
6           U.S.C. 4025) and without regard to the provisions  
7           of title 5, United States Code, relating to appoint-  
8           ments in the competitive service or the Senior Exec-  
9           utive Service.

10           “(3) QUALIFICATIONS.—An individual ap-  
11           pointed under paragraph (2) shall have—

12                   “(A) a background in customer service as  
13                   well as insurance; and

14                   “(B) experience in representing individual  
15                   insureds.

16           “(4) RESTRICTION ON EMPLOYMENT.—An indi-  
17           vidual may be appointed as the National Flood In-  
18           surance Advocate only if such individual was not an  
19           officer or employee of the Federal Emergency Man-  
20           agement Agency with duties relating to the national  
21           flood insurance program during the 2-year period  
22           ending with such appointment and such individual  
23           agrees not to accept any employment with the Fed-  
24           eral Emergency Management Agency for at least 5  
25           years after ceasing to be the National Flood Insur-

1           ance Advocate. Service as an employee of the Na-  
2           tional Flood Insurance Advocate shall not be taken  
3           into account in applying this paragraph.

4           “(5) STAFF.—To the extent amounts are pro-  
5           vided pursuant to subsection (c), the National Flood  
6           Insurance Advocate may employ such personnel as  
7           may be necessary to carry out the duties of the Ad-  
8           vocate.

9           “(b) DUTIES.—The duties of the National Flood In-  
10          surance Advocate shall be to conduct studies with respect  
11          to, and submit, the following reports:

12           “(1) REPORT ON PROBLEMS OF INSUREDS  
13          UNDER NATIONAL FLOOD INSURANCE PROGRAM.—  
14          Not later than the expiration of the 12-month period  
15          beginning on the date of the enactment of the Flood  
16          Insurance Reform and Modernization Act of 2007,  
17          the National Flood Insurance Advocate shall submit  
18          a report to the Congress regarding the national flood  
19          insurance program, which shall—

20           “(A) identify areas in which insureds  
21          under such program have problems in dealings  
22          with the Federal Emergency Management  
23          Agency relating to such program, and shall con-  
24          tain a summary of at least 20 of the most seri-  
25          ous problems encountered by such insureds, in-

1 cluding a description of the nature of such  
2 problems;

3 “(B) identify areas of the law relating to  
4 the flood insurance that impose significant com-  
5 pliance burdens on such insureds or the Federal  
6 Emergency Management Agency, including spe-  
7 cific recommendations for remedying such prob-  
8 lems;

9 “(C) identify the 10 most litigated issues  
10 for each category of such insureds, including  
11 recommendations for mitigating such disputes;

12 “(D) identify the initiatives of the Agency  
13 to improve services for insureds under the na-  
14 tional flood insurance program and actions  
15 taken by the Agency with respect to such pro-  
16 gram;

17 “(E) contain recommendations for such  
18 administrative and legislative action as may be  
19 appropriate to mitigate or resolve problems en-  
20 countered by such insureds; and

21 “(F) include such other information as the  
22 National Flood Insurance Advocate considers  
23 appropriate.

24 “(2) REPORT ON ESTABLISHMENT OF AN OF-  
25 FICE OF THE FLOOD INSURANCE ADVOCATE.—Not

1 later than the expiration of the 6-month period be-  
2 ginning on the date of the initial appointment of a  
3 National Flood Insurance Advocate under this sec-  
4 tion, the Advocate shall submit a report to the Con-  
5 gress regarding the feasibility and effectiveness of  
6 establishing an Office of the Flood Insurance Advo-  
7 cate, headed by the National Flood Insurance Advo-  
8 cate, to assist insureds under the national flood in-  
9 surance program in resolving problems with the Fed-  
10 eral Emergency Management Agency relating to  
11 such program. Such report shall examine and ana-  
12 lyze, and include recommendations regarding—

13 “(A) an appropriate structure in which to  
14 establish such an Office, and appropriate levels  
15 of personnel for such Office;

16 “(B) other appropriate functions for such  
17 an Office, which may include—

18 “(i) identifying areas in which such  
19 insureds have problems in dealing with the  
20 Agency relating to such program;

21 “(ii) proposing changes in the admin-  
22 istrative practices of the Agency to resolve  
23 or mitigate problems encountered by such  
24 insureds; and

1                   “(iii) identifying potential legislative  
2                   changes which may be appropriate to re-  
3                   solve or mitigate such problems;

4                   “(C) appropriate procedures for formal re-  
5                   sponse by the Director to recommendations sub-  
6                   mitted to the Director by the National Flood  
7                   Insurance Advocate;

8                   “(D) the feasibility and effectiveness of au-  
9                   thorizing the National Flood Insurance Advo-  
10                  cate to issue flood insurance assistance orders  
11                  in cases in which the Advocate determines that  
12                  a qualified insured is suffering or about to suf-  
13                  fer a significant hardship as a result of the  
14                  manner in which the flood insurance laws are  
15                  being administered or meets such other require-  
16                  ments may be appropriate, including examining  
17                  and analyzing—

18                  “(i) appropriate limitations on the  
19                  scope and effect of such orders;

20                  “(ii) an appropriate standard for de-  
21                  termining such a significant hardship;

22                  “(iii) appropriate terms of flood insur-  
23                  ance assistance orders; and

24                  “(iv) appropriate procedures for modi-  
25                  fying or rescinding such orders;

1           “(E) the feasibility and effectiveness of es-  
2           tablishing offices of flood insurance advocates  
3           who report to the National Flood Insurance Ad-  
4           vocate, including examining and analyzing—

5                   “(i) the appropriate coverage and geo-  
6                   graphic allocation of such offices;

7                   “(ii) appropriate procedures and cri-  
8                   teria for referral of inquiries by insureds  
9                   under such program to such offices;

10                   “(iii) allowing such advocates to con-  
11                   sult with appropriate supervisory personnel  
12                   of the Agency regarding the daily oper-  
13                   ation of the offices; and

14                   “(iv) providing authority for  
15                   such advocates not disclose to the Director  
16                   contact with, or information provided by,  
17                   such an insured;

18                   “(F) appropriate methods for developing  
19                   career paths for flood insurance advocates re-  
20                   ferred to in subparagraph (E) who may choose  
21                   to make a career in the Office of the Flood In-  
22                   surance Advocate; and

23                   “(G) such other issues regarding the estab-  
24                   lishment of an Office of the Flood Insurance

1 Advocate as the National Flood Insurance Ad-  
2 vocate considers appropriate.

3 “(3) DIRECT SUBMISSION OF REPORTS.—Each  
4 report required under paragraph (2) shall be pro-  
5 vided directly to the Congress by the National Flood  
6 Insurance Advocate without any prior review or com-  
7 ment from the Director, the Secretary of Homeland  
8 Security, any other officer or employee of the De-  
9 partment of Homeland Security, or the Office of  
10 Management and Budget.

11 “(c) AUTHORIZATION OF APPROPRIATIONS.—There  
12 are authorized to be appropriated for fiscal year 2008 and  
13 each fiscal year thereafter such sums as may be necessary  
14 to carry out this section.”.